

High valuation of \$8 bn makes Zomato's offer less appetising

Competitive intensity, customer acquisition costs likely to delay profitability

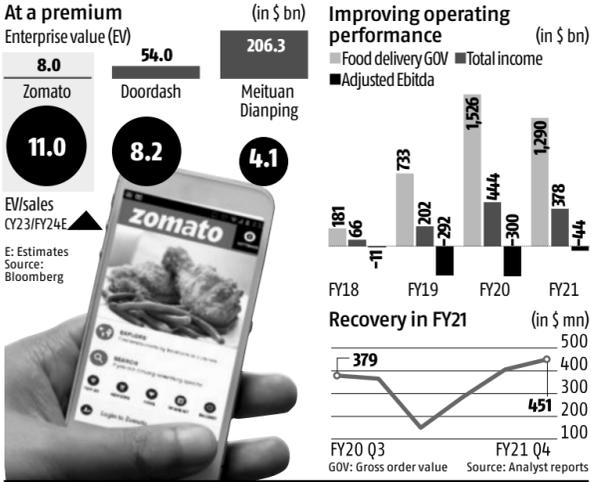
RAM PRASAD SAHU
New Delhi, 8 July

The valuations of the country's first consumer platform, Zomato, to hit the primary market may not yield outsized gains for investors. The leader in the online food aggregator market is raising ₹9,350 crore to fund its growth plans. The company, which has a presence in 525 cities across the country with an average of 6.8 million customers ordering food every month, is being valued at \$8 billion, or just under ₹60,000 crore at the upper end of the price band of ₹72-76. Most brokerages had initially pegged valuations at \$5.5 billion.

Says Karan Taurani, vice-president, Elara Capital: "At 11 times its FY24 enterprise value to sales, the stock is trading at 40 per cent premium to its peers such as Doordash. Most global players are trading at 4-8 times on that metric. While the premium is justified, given the faster growth rates in India and the scarcity premium, the valuations have fully priced in the prospects and there is little left on the table for investors."

The reason for the higher valuation is the near duopoly in the aggregator market, 20-25 per cent growth over the next few years, under penetration and large addressable food services market. Online food

FOOD FOR THOUGHT



delivery service providers (at just over \$4 billion) account for just 6-8 per cent of this market.

Analysts also highlight multiple risks going ahead. Increased competition in the form of delivery applications by restaurant association, quick service restaurants such as Domino's and deep pocketed players

such as Amazon could dent profitability of Zomato going ahead. While Zomato's discounts have reduced substantially in financial year 2020-21 (FY21) given the pandemic, the sharply lower commissions charged by Amazon could force the larger players to focus on market share gains. Further, delivery charges

which were hiked in FY21 may come down as normalcy returns. While growth is a given, the level of discounting to drive volumes (strong correlation) and the firm's ability to keep its costs down will decide the return to profitability. On revenues of ₹1,993 crore, the company posted a loss of ₹816 crore in FY21.

However, Vikas Jain of Reliance Securities has given a 'subscribe' rating and says investors with at least a two-year horizon can consider the IPO. "Given the low penetration, just two large players in the market, falling advertising costs and company's focus on the domestic market, growth as well profitability after initial cash burn will improve going ahead," he says. Advertising costs as a proportion of total income have dipped from 88 per cent in FY18 to 25 per cent in FY21.

Besides, the cash on the books from the IPO will help the company expand its user base, move into smaller towns, and add to its nearly 400,000 restaurant listings.

The company is looking at both organic and inorganic expansion. While the former will include customer acquisition costs, strengthening the delivery infrastructure, and improving the technology platform, it is also eyeing acquisitions such as the one it made in online grocery platform Grofers.

Adopt a barbell strategy for debt-oriented funds

Keep bulk of your portfolio in low-risk funds; chase returns in residual portion if you have the capacity

SANJAY KUMAR SINGH

Yields on government securities (G-Secs) spiked on Tuesday — the 5-year G-Sec closed at 5.84 per cent (compared to its calendar-year low of 5.50 per cent); the 10-year bond touched 6.18 cent (CY low: 5.97 per cent); and the 15-year bond rose to 6.81 per cent (CY low: 6.58 per cent). These figures have moderated slightly in the past two days. But with yields under pressure, investors need to modify their debt fund strategy.

Short-term spike

Two factors caused the spike: The exclusion of popularly traded securities in the Reserve Bank of India's (RBI's) Government Securities Acquisition Programme (GSAP) auction, which disappointing the market, and the RBI's announcement of a new 10-year G-Sec. When this happens, yields on older bonds tend to rise as traders exit them.

Yields under pressure

Yields have been under pressure since the consumer price index (CPI)-based inflation for May came in higher than expected at 6.3 per cent. Though the central bank has said this is transitory, caused by supply-side constraints, some factors may not vanish quickly. Commodity prices are high globally, with Brent crude at \$75 per barrel. "Increasingly, an expectation is building up in the market that inflation may not be so transitory," says Anand Nevatia, fund manager, Trust Asset Management Company.

The economy is operating at below potential due to lockdowns. So, the RBI is maintaining a growth-supportive stance despite inflation rising above its comfort zone. But if Covid cases remain low, the economy could move to a more sustained growth trajectory. RBI could then shift its stance. "Over the next year or so, there may be a gradual uptick in interest rates as the RBI reduces the support it is providing and normalises policy, or at least prepares the market's mindset," says Joydeep Sen, corporate trainer (debt markets) and author.

According to Nevatia, as growth returns, the RBI would first withdraw the extra liquidity, which could also lead to interest rates inching up. "We expect the 10-year G-Sec to be in the 6.35-6.5 per cent range by the end of the financial year," he says. Rate hikes, if required, may occur later.

CREDIT-RISK FUNDS: WEIGH THE PROS & CONS

Points in favour

■ According to a CRISIL study, there were more ratings upgrades than downgrades in the second half of FY21

■ The MF industry's exposure to weaker credit is relatively low

■ Unless the macro environment turns very difficult, the risk of a significant deterioration in the credit profile of larger companies, which issue bonds that the MFs invest in, is small

■ These funds have given an average return of 9.5 per cent over the past year (direct category)

Points against

■ As the RBI withdraws its special support measures, there could be defaults and downgrades

■ Four fund houses are running segregated portfolios in the category, pointing to past problems in these funds

Safer strategies

Shorter-term debt funds with portfolio maturity up to one year are the safest bet. "The bonds in these portfolios mature faster and get reinvested at higher yields," says R Sivakumar, head - fixed income, Axis Mutual Fund. Conservative investors, who desire low volatility, should stick to such funds.

These investors may also consider target maturity funds, which invest in G-Secs, state development loans (SDLs) and 'AAA'-rated PSU bonds and, hence, carry very little credit risk. If investors hold them till maturity, they will get the portfolio yield at the time of purchase. These are suitable for investors whose investment horizon matches the maturity of these funds.

Riskier strategies

Investors who have a longer investment horizon and the stomach for volatility may invest 10-20 per cent of their portfolio in riskier strategies. Longer-duration funds will be volatile in a rising-rate scenario. "The reinvestment time is much further away for the bonds in these portfolios, and they suffer higher mark-to-market impact," says Sivakumar.



GR Infraprojects sees 6x subscription

SUNDAR SETHURAMAN
Mumbai, 8 July

The initial public offering (IPO) of GR Infraprojects garnered 5.9x subscription on Thursday, the second day of the issue.

The retail investor portion secured a 7.5x subscription, while the wealthy investor and institutional portions saw subscription of 6.3x and 2.8x, respectively.

G R Infra is an integrated road engineering, procurement, and construction company.

The initial public offering comprises a secondary share sale worth ₹962 crore.

The price band has been fixed between ₹828 and ₹837 per share.

At the top end of the price band, the company will command a market capitalisation of ₹8,093 crore.

Clean Science IPO booked 4.4x

The IPO of Clean Science and Technology was subscribed 4.4x on Thursday. Bulk of the bids came from retail investors, with their portion getting nearly 5.5x subscription.

The HNI and institutional buckets were subscribed 4.6x and 2.17x, respectively. Clean Science is a manufacturer of functionally critical specialty chemicals used in the

pharma and fast-moving consumer goods industry. The price band is at ₹880-900 apiece.

The issue comprises a secondary share sale worth ₹1,546 crore. The company has already allotted shares worth ₹464 crore to anchor investors. At the top end of the price band, Clean Science will have a market capitalisation of ₹9,560 crore. SUNDAR SETHURAMAN

S.607.The Namakkal Agricultural Producers Cooperative Marketing Society Ltd.,
69, Thiruchengode Road, Namakkal - 637001. Phone : 04286 - 281379, 280174

TENDER NOTICE

Sealed tenders are invited from the eligible individuals and firms for the purpose of Public Distribution System, movement from TNCSG Godowns located at Namakkal and Paramathy to Fair Price Shops located at various places in Namakkal, Mohanur, Sendamangalam and Paramathy Taluks.

- EMD : Rs.1,50,000/-
- Last date and time for receipt of Tender : 28.07.2021 @ 10.30 am.
- Date and time for opening of Tender : 28.07.2021 @ 11.00 am.
- Place of receipt and opening of Tenders : S.607, The Namakkal Agricultural Producers Co-operative Marketing Society Ltd., 69, Thiruchengode Road, Namakkal.

Note: Tender Documents can be obtained from NAPCMS (HO), during working hours and the same can be downloaded at www.tenders.tn.gov.in. For further details kindly refer the Tender Documents.

Date : 09.07.2021
Place : Namakkal

Tender Committee, NAPCMS
DIPR/1998/TENDER/2021

GOVERNMENT OF TAMIL NADU
Auction of 10 year Tamil Nadu Government Stock (Securities) and Re-issue of 6.95% Tamil Nadu State Development Loan 2031

- Government of Tamil Nadu has offered to sell by auction the dated securities for an amount of **Rs. 1000.00 crore** with **Ten Year** tenure and **Rs. 1000.00 crore** by Re-issue of **6.95% Tamil Nadu State Development Loan 2031**. Securities will be issued for a minimum nominal amount of Rs. 10,000/- and multiples of Rs. 10,000/- thereafter. Auction which will be yield / price based under multiple price format will be conducted by Reserve Bank of India at Mumbai Office (Fort) on **July 13, 2021**.
- The Government Stock upto 10% of the notified amount of the sale will be allotted to eligible individuals and institutions subject to a maximum limit of 1% of its notified amount for a single bid as per the Revised Scheme for Non-competitive Bidding facility in the Auctions of the State Government Securities of the General Notification (Annexure II). Under the scheme, an investor can submit a single bid only through a bank or a Primary Dealer.
- Interested persons may submit bids in electronic format on the Reserve Bank of India Core Banking Solution (E-Kuber) System as stated below on **July 13, 2021**.
 - The competitive bids shall be submitted electronically on the Reserve Bank of India Core Banking Solution (E-Kuber) System between 10.30 A.M. and 11.30 A.M.
 - The non-competitive bids shall be submitted electronically on the Reserve Bank of India Core Banking Solution (E-Kuber) System between 10.30 A.M. and 11.00 A.M.
- The yield percent per annum expected by the bidder should be expressed up to two decimal points. An investor can submit more than one competitive bid at different rates in electronic format on the Reserve Bank of India Core Banking Solution (E-Kuber) System. However, the aggregate amount of bids submitted by a person should not exceed the notified amount.
- The result of auction will be displayed by Reserve Bank of India on its website on **July 13, 2021**. Successful bidders should deposit the price amount of Stock covered by their bids by means of a Bankers' Cheque or Demand Draft payable at Reserve Bank of India, Mumbai (Fort) or Chennai on **July 14, 2021** before the close of banking hours.
- The Government Stock for fresh issue will bear interest at the rate determined by Reserve Bank of India at the auction and interest will be paid half yearly on **January 14 and July 14**. The Government Stock for Re-issue of **Tamil Nadu State Development Loan 2031** will bear interest at the rate of **6.95%** per annum paid half yearly on **January 07 and July 07**. The Stock will be governed by the provisions of the Government Securities Act, 2006 and Government Securities Regulations, 2007.
- The stocks will qualify for ready forward facility.
- For other details please see the notifications of Government of Tamil Nadu Specific Notification No. **556(L)/W&M-II/2021 and 557(L)/W&M-II/2021, dated July 08, 2021**.

S. KRISHNAN,
Additional Chief Secretary to Government,
Finance Department, Chennai-9.

DIPR/560/DISPLAY/2021

INSILCO LIMITED
(Under Voluntary Liquidation w.e.f. 25.06.2021)
CIN : L34102UP1988PLC010141
Regd. Office : A - 5, UPSIDC Industrial Estate, Bhartiagram, Gajraula, Distt. Amroha, U.P.-244223
Phone : 05937923693, Fax: (05924) 252346, Email id: insilco@evonik.com, Website: www.insilcoindia.com

NOTICE OF THE 33rd ANNUAL GENERAL MEETING (AGM), REMOTE E-VOTING INFORMATION AND BOOK CLOSURE ETC.

Notice is hereby given that:

- The 33rd Annual General Meeting (33rd AGM) of the Company will be convened on **Monday 2nd August, 2021 at 02:30 P.M. IST** through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM") Facility to transact the Ordinary and Special Business, as set out in the **Notice of the AGM**, in compliance with all the applicable provisions of the Companies Act, 2013 and Rules framed thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with General Circular No. 14/2020, 17/2020, 20/2020 and 02/2021 dated 8th July, 2020, 13th April, 2020, 5th May, 2020 and 13th January, 2021 respectively, issued by the Ministry of Corporate Affairs ("MCA Circulars") and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 and SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 12th May 2020 and 15th January 2021 issued by the Securities and Exchange Board of India ("SEBI Circulars"), without the physical presence of the Members at a common venue. The deemed venue for the 33rd AGM shall be the Registered Office of the Company.
- In terms of MCA Circulars and SEBI Circulars, the Notice of the 33rd AGM and the Annual Report for the financial year 2021 including the Audited Financial Statements for the year ended 31st March 2021 has been sent by email to those Members whose email addresses are registered with the Company Depository Participant(s). The electronic dispatch of Notice of the 33rd AGM and the Annual Report to the members has been completed on 8th July, 2021. The requirements of sending physical copy of the Notice of the 33rd AGM to the Members have been dispensed with vide MCA Circulars and SEBI Circulars.
- Members holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 26th July, 2021 may cast their vote electronically on the Ordinary and Special Business as set out in the Notice of the 33rd AGM through electronic voting system (Remote e-Voting) of National Securities Depository Limited ("NSDL"). All the members are informed that:
 - The Ordinary and Special Business as set out in the Notice of the 33rd AGM will be transacted through remote e-Voting or e-Voting system at the AGM;
 - The remote e-Voting shall commence on **Friday, 30th July 2021 at 9:00 am IST**;
 - The remote e-Voting shall end on **Sunday, 1st August 2021 at 5:00 pm IST**;
 - The cut-off date, for determining the eligibility to vote through remote e-Voting or through the e-Voting system during the 33rd AGM, is **26th July 2021**;
 - Remote e-Voting module shall be disabled after 5:00 pm IST on 1st August 2021;
 - Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is sent through e-mail and holding shares as of the cut-off date i.e. 26th July, 2021 may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if you are already registered with NSDL for remote e-voting, then you can use your existing User ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com or call on toll free no. 1800 1020 390 and 1800 22 44 30. In case of individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. 26th July 2021 may follow steps mentioned in the Notice of the AGM under "Access to NSDL e-Voting system";
 - Members may note that: a) the remote e-Voting module shall be disabled by NSDL after the aforesaid date and time for voting and once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently; b) the facility for e-Voting shall also be made available during the 33rd AGM, and those members present in the 33rd AGM through VCO/AVM facility, who have not cast their vote on the resolutions through remote e-Voting and otherwise not barred from doing so, shall be eligible to vote through the e-Voting system at the 33rd AGM; c) the Members who have cast their vote by remote e-Voting prior to the 33rd AGM may participate in the 33rd AGM through VCO/AVM facility but shall not be entitled to cast their vote again through the e-Voting system during the 33rd AGM; and d) a person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-Voting, participating in the 33rd AGM through VCO/AVM Facility and e-Voting during the 33rd AGM;
 - The manner of voting remotely for members holding shares in dematerialized mode, physical mode and members who have not registered their email address is provided in the Notice of the 33rd AGM;
 - The Notice of the 33rd AGM and the Annual Report are available on the website of the Company at www.insilcoindia.com and the website of BSE Limited at www.bseindia.com. The Notice of the 33rd AGM is also available on the website of NSDL at <https://www.evoting.nsdl.com>; and
 - Those Members holding shares in physical form, whose email addresses are not registered with the Company, may register their email address by sending scan copy of a signed request letter mentioning your name, folio number, complete address, email address to be registered along with scanned self attested copy of the PAN card and any document (such as Driving License, Passport, Bank Statement, AADHAR) supporting the registered address of the Member, by email to the Company's email address insilco@evonik.com. Members holding shares in demat form can update their email address through their Depository Participant. If there is any change in the e-mail ID already registered with the Company / RTA, Members are requested to immediately notify such change to the Company at Company's email address insilco@evonik.com in respect of shares held in physical form and to DPs in respect of shares held in electronic form;
 - In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-Voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no. 1800 1020 390 and 1800 22 44 30 or send a request at evoting@nsdl.co.in or contact Ms. Pallavi Mittal, Manager or Ms. Soni Singh, Asst. Manager, National Securities Depository Limited, Trade World, 'A' Wing, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013, at the designated email id: evoting@nsdl.co.in or pallavi@nsdl.co.in or sonis@nsdl.co.in or at telephone nos.: +91 22 24994545, +91 22 24994559, who will also address the grievances connected with voting by electronic means. Members may also write to the Company Secretary at the Company's email address insilco@evonik.com.
- The Register of Members and the Share Transfer books of the Company will remain closed from **Tuesday, 27th July, 2021 to Monday, 2nd August, 2021 (both days inclusive)** for annual closing.

For Insilco Limited
(Under Voluntary Liquidation w.e.f. 25.06.2021)
Sd/-
Swati Surhatia
Company Secretary and Compliance Officer

Date : 08.07.2021
Place : New Delhi

TENDER CARE

PSPCL PURCHASED 400 MW POWER FROM ENERGY EXCHANGE @12.40 PER UNIT TO MEET THE RISING PEAK POWER DEMAND: A.VENU PRASAD

Command PSPCL Shri A. Venu Prasad said that Punjab is witnessing all time high demand in the ongoing paddy season due to delayed monsoon arrival. He said that the power availability is also on the lower side this season due to low reservoir levels in dams resulting into less hydro power by about 600 MW. He informed that one unit of Talwandi Sabo Power Ltd. (TSPL) has been on forced outage due to turbine breakdown, another unit has developed a technical snag on 07-July 2021 and the third one is operating at half capacity due to some technical issue. This has resulted into a shortage of nearly 2200 MW. Shri A. Venu Prasad disclosed that to tide over the situation, PSPCL in addition to the existing arrangements has purchased extra power of 400 MW from the open market @ Rs 12.40 per unit on July 8, 2021. Total 1400 MW power purchased for July 8, 2021 at an exchange rate of 5.46 / unit. He said that on the request of Punjab Government, National Load Despatch Centre has agreed to enhance the ATC/TTCC limit to 8000/8600 MW from 18.00 hrs to 09.00 hrs due to outage of TSPL unit. PSPCL is utilizing this limit by import of maximum possible power to improve the supply position. Last year the same import limit was only 6500 MW.

SBI, KUMBRA BRANCH INAUGURATES CUSTOMER SERVICE POINT



State Bank of India, Kumbra branch inaugurated the Customer Service Point for enhanced customer convenience at Kumbra Branch Sector 68, Sahibzada Ajit Singh Nagar (Mohali), Punjab near Neem Nath Temple at Kumbra Village. The Customer Service Center was inaugurated by Shri Prem Vishvas Mangla, Branch Manager, SBI Kumbra Branch, Shri. Harinder Kumar Aastha (Chief Manager, FI) under the leadership of Shri Rajinder Kaushal (Regional Manager, Mohali). The Chief Guest - MC Mohali Ramandeep Kaur, Senior Journalist Dr. Pawan Jain and other dignitaries, Mamta Dogra (CSP) and other Bank officers also graced the occasion. On this occasion, the Chief Guest also apprised the people about the facilities available from this Customer Service Center. He also told that the facility of this customer service center will be available from 8:00 am to 8:00 pm without any charges. Transactions up to Rs 20000 can be made with round the clock availability. Customers can deposit or withdraw money and the facility of opening an account in zero balance will also be provided. The opening of the Customer Facilitation Center will increase customer service experience, for which people thanked SBI. This is the first facilitation center in the region, where senior citizens and other pension holders will also be given pension.

SH. NAND LAL SHARMA CHAIRMAN & MANAGING DIRECTOR SJVN VISITS UNDER CONSTRUCTION 60 MW NAITWAR MORI HYDRO ELECTRIC PROJECT IN UTTARAKHAND

Sh. Nand Lal Sharma, Chairman & Managing Director, SJVN Limited visited under construction 60 MW Naitwar Mori Hydro Electric Project in Uttarakhand. At Project Site, Sh. Nand Lal Sharma triggered the last blast for breakthrough between faces of 4.34-kilometer-long Head Race Tunnel (HRT) in the presence of Sh. S.K. Singh, Head of Project and other senior officials. The Head Race Tunnel (HRT) of Naitwar Mori HEP is 4.34 kms long with diameter of 5.6 meters. The lining work of HRT has already commenced and around 32% of the same has been completed. After this breakthrough blast, the lining work of the tunnel will be expedited resulting in timely completion of the Project. During the visit, Sh. Sharma also inaugurated the Project Office Complex, Transit Camp & Residential Colony. He emphasized that completion of Infrastructure Works is most essential for timely completion of the Project as well as for the welfare of the employees. SJVN is vigorously marching forward for achieving installed capacity of 5000 MW by 2023, 12000 MW by 2030 and 25000 MW by year 2040.

HPCL BAGS MINT -TECH CIRCLE'S EXCELLENCE IN BUSINESS TRANSFORMATION AWARD

HPCL has been awarded with prestigious Mint - Tech Circle's Excellence in Business Transformation Award 2021 for its innovative approach to Digitize & Automate Supply Chain and unique initiative of Smart Terminals. HPCL's Executive Director- SOD, Shri Subodh Batra & Executive Director - ERP, Shri Shyam Mustyalar have been conferred with Business Leader & Technology Leader respectively by Hindustan Times Group & Mosaic Digital, after an elaborate evaluation by esteemed Jury. HPCL's initiative to integrate set of Digital Applications & Processes, which empowered every Stakeholder during the engagement process, won them this prestigious recognition. The model developed has successfully brought superior Customer ecstasy and have considerably improved Operational Productivity & Efficiency.

NAGAR URBAN BANK RECOVERED 100 CR IN FY2020-21

The Nagar Urban Co-op Bank, a Multi-State Scheduled Bank has recovered more than 100 crore in the financial years 2020-2021. The Officials said that administration has formed 06 teams of employees for recovery of arrears. Recovery planning of all the branches is underway. Two recovery agencies have been appointed for implementation of recovery process. As per the guidelines of RBI, to support customers, bank has reduced all types of loan interest rates upto 2.50%. Due to attractive rate of interest on various deposit schemes and insurance coverage for deposits up to 5 lacs, deposits are on the rise. All of the income tax paying banks Consumers, members & depositors get income tax relief by investing in the bank's tax saving certificate deposit scheme.